

## Board of Chiropractic Examiners

### INITIAL STATEMENT OF REASONS

**Hearing Date:** None

**Subject Matter of Proposed Regulations:** Name of Corporation

**Sections Affected:**

The proposed regulations would repeal section 367.7, Name of Corporation, which is contained in Article 1 in Division 4 of Title 16 of the California Code of Regulations (CCR).

**Introduction:**

Business and Professions Code (BPC) section 1000 – 4(b), (Chiropractic Initiative Act of California Stats. 1923p.1xxxviii), hereinafter Initiative Act, authorizes the Board to adopt regulations as they may deem proper and necessary for the performance of its work, the effective enforcement and administration of this act, the establishment of educational requirements for license renewal, and the protection of the public.

**Specific Purpose and Factual Basis of each adoption, amendment, or repeal:**

CCR section 367.7 would be repealed due to duplication of BPC Section 1054 and an additional limitation that serves no practical purpose.

BPC section 1054 states:

*“Notwithstanding any other provision of law, the name of a chiropractic corporation and any name or names under which it may be rendering professional services, shall contain the name or the last name of one or more of the present, prospective, or former shareholders, and shall include the word “chiropractic” and the word “corporation” or wording or abbreviations denoting corporate existence.”*

CCR section 367.7 cites the requirements for naming a chiropractic corporation almost verbatim to BPC section 1054, but provides an additional limitation with the phrase, “..., shall contain **and be restricted to...**”.

**Factual Basis/Rationale:** The restriction imposed by this phrase places stronger limitations on names for chiropractic corporations than for non-corporate chiropractic businesses. The board does not believe that this restriction serves a practical purpose in protecting the public and is unnecessary. Further, BPC section 1054 sufficiently prescribes the requirements for creating a chiropractic corporate name and can stand alone without further clarification in regulation.

**Underlying Data:**

Board Meeting Minutes – September 20, 2012 - Repeal Approved

## **Economic Impact Assessment:**

This regulatory proposal will have the following effects:

### **Impact on Jobs**

The Board has determined that this regulatory proposal would not affect the creation or elimination of jobs within the State of California. This proposal would specifically repeal a duplicative regulatory section, making the naming of a chiropractic corporation less restrictive.

### **Business Impact**

This regulation would not have a significant adverse impact on the creation of new businesses or the elimination of existing businesses within California or the expansion of businesses currently doing business in California. This initial determination is based on the following facts or evidence/documents/testimony:

This proposal would specifically repeal a duplicative regulatory section, making the naming of a chiropractic corporation less restrictive.

### **Benefits**

This regulatory proposal would benefit the board by streamlining the licensing requirements for chiropractic corporations for consistency with non-corporate chiropractic businesses.

### **Worker Safety**

This regulatory proposal does not affect worker safety because it would repeal a duplicative regulatory section, making the naming of a chiropractic corporation less restrictive.

### **Environment**

This proposal would not affect the state's environment because it would repeal a duplicative regulatory section, making the naming of a chiropractic corporation less restrictive.

### **Specific Technologies or Equipment:**

This regulation does not mandate the use of specific technologies or equipment.

### **Consideration of Alternatives:**

No reasonable alternative to the regulation would be either more effective in carrying out the purpose for which the action is proposed, or would be as effective and less burdensome to affected private persons than the proposed regulation.